

An Overview of Hendricks County's 2017 Annual Trending March 24, 2017

The following steps were taken to conduct the 2017 annual trending in Hendricks County:

Step 1: Re-Delineation of Neighborhoods

The vast majority of neighborhoods in Hendricks County were completely re-examined and, where necessary, re-delineated for annual trending in 2006. Additional re-delineation of some neighborhoods has occurred each year thereafter as further analysis indicated such action was appropriate.

Step 2: Calculation of New Land Values**

As required in the General Reassessment, new land values were established in July, 2011 and have been implemented since that time. No other changes have been made to the land order since that time, except in the neighborhoods where market data indicated the need for an adjustment.

Step 3: Calculation of New Residential Factors & Residential Studies**

Hendricks County implemented the depreciation change to base year 2016, and no location cost multiplier change was indicated from the Department of Local Government Finance. Further, a preliminary ratio study was then conducted for improved residential properties at the township level. This study dictated which property classes required further analysis, stratification, reassessment or calculation of a new market area factor. In some instances, especially in rural areas of Hendricks County, the preliminary ratio study indicated that assessments were both accurate and uniform. In other neighborhoods, further review was required. For vacant residential stratum, given the limited number of available sales, data was grouped in the following manner: the townships in the western side of the county are all very rural, mostly agricultural properties with little commercial or industrial (ie, jobs) properties in the area, so this grouping is titled "Rural". The three townships that abut Indianapolis, were grouped together because they have much more parcels, including commercial and industrial parcels, and the cities of Avon, Plainfield, and Brownsburg are located here, this grouping is called "East". Center Township stood alone in the study.

Step 4: Updated Commercial & Industrial Improvement Values**

Hancock County depreciation base year to 2017 per the Department of Local Government Finance. Given the very small amount of sales data, the rural townships located in the western portion of the county were grouped together. All other townships stood alone in the study.

****Please note that the period of time from which sales were used for this ratio study was from 1/1/2015 to 12/31/2016. Every attempt was made to ensure a representative sample for each property class. However, given the very low sales activity for vacant commercial property and vacant industrial property in Hendricks County, insufficient usable sales data was yielded even when attempting to expand the sales window back to 2011 for calculating ratio study statistics. 2015 sales were used in the ratio study, but a need for time adjustment was not indicated from data analysis.**